



ASSET RECOVERY BILL OF SALE TERMS AND CONDITIONS

The following terms and conditions shall apply to this Contract for the Sale of Goods ("Contract"):

1. **Definitions.** "Work" means all of Buyer's obligations under the Contract. "Seller" means any one or more companies of the American Electric Power System identified in the Contract. "Buyer" means the entity contracting with Seller for the purchase of Goods.
2. EXCEPT AS TO TITLE, SELLER MAKES NO WARRANTIES, EITHER EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.
3. Buyer shall take possession of the Goods in place, AS IS. Title to and risk of loss of the Goods shall pass to Buyer upon execution of this Contract by both parties, and upon receipt by Seller of payment therefore. Buyer shall then assume all liability for the Goods, including payment of all license charges and taxes of any description whatsoever imposed thereon. Buyer shall immediately remove from the Goods all names, initials and marks showing the prior ownership by Seller of the Goods.
4. Seller represents to Buyer that Seller is the lawful owner of the Goods and has a right to sell them and that the Goods are free and clear of encumbrances.
5. Seller's liability, and the liability of the manufacturer of the Goods, in all claims of any kind, whether based on contract, indemnity, warranty, tort (including negligence), strict liability or otherwise, for all losses or damages arising out of, connected with, or resulting from the sale of the Goods by Seller to Buyer shall in no event exceed the amount paid to Seller by Buyer for the Goods. In no event shall Seller or the manufacturer of the Goods have any obligations or liability for any special, incidental, indirect, punitive or consequential damages howsoever caused, including negligence, arising out of Buyer's use of, or inability to use, the Goods. **SELLER SHALL NOT BE LIABLE TO BUYER FOR TREBLE DAMAGES UNDER THE TEXAS DECEPTIVE TRADE PRACTICES ACT.**
6. (a) The laws of the state where the Goods are located shall apply to this Section 5. **(b) TO THE EXTENT PERMITTED BY LAW, BUYER SHALL INDEMNIFY, DEFEND AT ITS EXPENSE, AND SAVE SELLER HARMLESS, FROM ANY LIABILITIES, COSTS AND CLAIMS, INCLUDING JUDGMENTS RENDERED AGAINST, AND FINES AND PENALTIES IMPOSED UPON, SELLER AND REASONABLE ATTORNEYS' FEES AND ALL OTHER COSTS OF LITIGATION, ARISING OUT OF THIS CONTRACT, INCLUDING INJURIES, DISEASE OR DEATH TO PERSONS, OR DAMAGE TO PROPERTY, INCLUDING ENVIRONMENTAL CLAIMS AND LIABILITIES CAUSED BY BUYER, ITS EMPLOYEES, AGENTS OR SUBCONTRACTORS, OR IN ANY WAY ATTRIBUTABLE TO THE PERFORMANCE OF THIS CONTRACT, INCLUDING VIOLATION OF THE TEXAS DECEPTIVE TRADE PRACTICES ACT, EXCEPT THAT BUYER'S OBLIGATION TO INDEMNIFY SELLER SHALL NOT APPLY TO ANY**

LIABILITIES ARISING FROM SELLER'S SOLE NEGLIGENCE. TO THE EXTENT PROVIDED IN THIS SECTION 5, BUYER EXPRESSLY AGREES TO INDEMNIFY SELLER FOR SELLER'S ACTS AND OMISSIONS, NEGLIGENT OR OTHERWISE. (c) WITH RESPECT TO CLAIMS AGAINST SELLER BY BUYER'S EMPLOYEES, BUYER AGREES TO EXPRESSLY WAIVE ITS IMMUNITY AS A COMPLYING EMPLOYER UNDER THE WORKERS' COMPENSATION LAW, BUT ONLY TO THE EXTENT THAT SUCH IMMUNITY WOULD BAR OR AFFECT RECOVERY UNDER OR ENFORCEMENT OF THIS INDEMNIFICATION OBLIGATION. With respect to the State of Ohio, this waiver applies to Section 35, Article II of the Ohio Constitution and Ohio Rev. Code Section 4123.74. (d) Buyer shall pay Seller's reasonable attorneys' fees and all costs of litigation associated with enforcement of the obligation set forth in this Section 5.

7. Buyer shall comply with all laws, rules, regulations and orders of any governmental authority pertaining to its performance under this Contract, and agrees to assume all responsibility for and save Seller harmless from and against any liability or damages for violation thereto or non-compliance therewith by Buyer.
8. No waiver by either party of any default shall be deemed a waiver of any subsequent default.
9. Neither party shall be considered in default in the performance of its obligations herein to the extent that performance is delayed or prevented due to causes beyond the reasonable control of said party.
10. Buyer shall at its sole expense, procure and maintain, and shall cause its subcontractors to procure and maintain, throughout the term of this Contract, the following types of insurance with the following, minimum limits:
 - (a) Workers' compensation insurance in accordance with all jurisdictions where Buyer has operations including where the Work is to be performed (if Buyer is a non-subscriber to workers' compensation, evidence of insurance equivalent to workers' compensation must be provided);
 - (b) Employer's liability in an amount not less than \$1,000,000;
 - (c) Business/commercial automobile insurance covering all owned, non-owned and hired autos in an amount not less than \$2,000,000 covering claims of bodily injury and property damage combined single limit each accident; and
 - (d) Commercial general liability insurance covering claims of bodily injury and property damage in an amount not less than \$2,000,000 per occurrence. Such coverage shall also include blanket contractual coverage, products and/or completed operations coverage and contain no exclusion for explosion, collapse, or underground property damage (XCU coverage).

If any of the Work performed by Buyer or any of its subcontractors includes the Work described in (a) through (g) listed below, then Buyer shall at its sole expense, procure and maintain, and shall cause its subcontractors to procure and maintain, throughout the term of this Contract, the corresponding types of insurance with the defined minimum limits:

- (a) If any Work includes aircraft, defined as a helicopter or fixed-wing aircraft, aircraft liability insurance with a combined limit of not less than \$10,000,000;
- (b) If any Work includes operations which use marine vessels or floating equipment, or which are subject to maritime jurisdiction, U.S. Longshore & Harbor Workers Compensation Act Marine Liability insurance (including Jones Act and maritime employer's liability if operations are subject

to federal jurisdiction) and pollution liability (under terms equivalent to current W.Q.I.S. policy provisions if operations are subject to federal jurisdiction) in amounts not less than \$20,000,000 per occurrence;

(c) If any Work includes professional services, professional liability insurance and/or errors and omissions insurance in an amount not less than \$2,000,000;

(d) If any Work includes the handling, transporting, disposing of or performing Work or operations with hazardous materials or other contaminants, waste or toxic materials, Buyer's pollution Liability insurance with an amount of not less than \$5,000,000 per occurrence; such insurance will cover sudden, accidental and gradual pollution losses;

(e) If any Work includes using unmanned aerial system (UAS), aircraft liability insurance, including coverage for UAS, with a combined limit of not less than \$5,000,000 per occurrence;

(f) If any Work includes cyber/tech liability exposures, cyber/tech liability insurance in an amount not less than \$5,000,000 per claim; such coverage shall include any claims and losses with respect to network risks (such as data breaches, unauthorized access/use, ID theft, invasion of privacy, damage/loss/theft of data, degradation, downtime, failures in electronic and physical security, and breach of confidentiality);

(g) If any Work includes tools, equipment, and other personal property owned by Buyer or subcontractor, "All risk" (or its equivalent) property insurance covering the full replacement cost of such personal property. Buyer and its subcontractor shall be solely responsible for their respective personal property.

To the extent permitted by law, Buyer and its subcontractors shall waive, and shall cause each of its insurers to waive, any and all rights of recovery, by subrogation or otherwise, against Seller and its affiliates, officers, directors, employees, agents and assigns of any type.

To the extent permitted by law, the commercial general liability, the business automobile, and (if applicable) the cyber/tech liability, contractor's pollution liability, aircraft liability and marine liability insurance shall include Seller and its affiliates, officers, directors, employees, agents and assigns of any type as additional insureds with respect to Seller's liability arising out of the operations of contractor and its subcontractors. ISO CG 04/2013 edition additional insured endorsements, or equivalent language are not acceptable.

Each of Buyer's and subcontractor's insurance policies are primary without right of contribution and the liability of the insurers will not be affected by any other insurance of the additional insured so as to reduce the amount payable to the additional insured under such policies provided that, in relation to the interests of the additional insured, the insurances will not be invalidated by any act or omission by the Buyer, and shall insure the interests of the additional insured, regardless of any breach or violation by Buyer of any warranty, declaration or condition, contained in such insurance.

The insurance required by this Article 10 is in addition to and separate from any other obligations contained in the Contract.

Products and/or completed operations coverage shall be maintained for a period of five (5) years after the completion of the Work.

If any of the policies indicated above are placed on a "claims-made" basis, such coverage shall be maintained for a period of not less than five (5) years following the completion of the Work.

Any deductibles or retentions on any of the policies required herein shall be the sole responsibility of the Buyer and its subcontractor.

The above referenced limit requirements may be met by any combination of primary and umbrella or excess liability policies so long as the total limit of insurance requirement is met. The umbrella or excess policies must follow form of the primary liability. The required limits and coverages referred to herein shall in no way affect, nor are they intended as a limitation of, Buyer's or subcontractor's liability with respect to its performance of the Work.

Upon inception of the Contract and prior to the commencement of Work, Buyer shall provide Seller, or Seller's agent, with an acceptable certificate of insurance evidencing the insurance required under Article 10. Buyer will not be permitted to bring its employees, materials or equipment onto the Site until Seller, or its agent, receives such evidence of insurance. Buyer also must provide an updated certificate of insurance at any time during the Contract term upon Seller's request. Buyer shall immediately notify Seller of cancellation or any material changes in the insurance policies required herein. If such insurance policies are subject to any exceptions to the terms specified herein, such exceptions shall be explained in full in such certificates. Seller may, at its discretion, require Buyer to obtain insurance policies that are not subject to non-standard exceptions.

In all cases where Buyer's and subcontractor's employees (defined to include Buyer's or subcontractor's direct, borrowed, special, or statutory employees) are covered by the Louisiana Worker's Compensation Act, La. Rev. Stat. Ann. 23:1021 et seq., Seller and Buyer agree that pursuant to Section 23:1061 (A) (1) all Work performed by Buyer, subcontractor and their employees under the terms and conditions of the Contract is an integral part of Seller's operations and is essential to Seller's ability to generate its goods, products and services. Additionally, Seller and Buyer agree that for purposes of Section 23:1061 (A) (3) Seller is the principal or statutory employer of Buyer's and subcontractor's employees irrespective of Seller's status as the statutory employer or special employer of Buyer's employees, pursuant to Section 23:1031 (C), Buyer subcontractor shall remain primarily responsible for the payment of Louisiana Worker's Compensation benefits to its employees, shall indemnify Seller from any and all claims of Buyer's employees or its subcontractor's employees and shall not be entitled to seek contribution for any such payments from Seller.

11. Neither Buyer nor Seller may assign any part of this Contract without the prior written consent of the other, which consent shall not be unreasonably withheld.
12. In the performance of this Contract, Buyer is and shall be an independent contractor and is not an agent or employee of Seller.
13. While on Seller's site, Buyer shall perform its obligations under this Contract in a safe and careful manner, and shall comply with and enforce all laws, rules and regulations applicable to safety and health standards. All personnel and vehicles entering or leaving Seller's site may be subject to inspection at any time by Seller. Buyer shall comply with and enforce all laws, rules and regulations applicable to safety and health standards, including but not limited to the Occupational Safety and Health Act of 1970 (OSHA), and any revisions to OSHA or successor legislation. Buyer shall comply with all project and site safety and security rules and procedures issued by Seller, provided that such rules and procedures do not conflict with OSHA or other safety laws,

rules and regulations. Buyer shall provide Seller with Material Safety Data Sheets for all applicable materials prior to delivery to Seller’s site, if requested by Buyer.

Buyer and all subcontractors performing work at Seller’s Location must have a substance abuse program. This program must apply to all personnel. Minimum requirements of this program shall include pre-hire testing, testing for cause and if requested, random testing. Screening substances and their associated cut-off limits are listed below.

<u>Drug Classes</u>	<u>Screening Cut-Off Limit (ng/ml)</u>	<u>Confirmation Cut-Off Limit (ng/ml)</u>
Amphetamines	1,000	500
Benzoylcegonine	300	150
Cannabinoids	50	15
Opiates	2,000	2,000
Phencyclidine	25	25

Blood & Breath alcohol content: .04% per Dept. of Transportation.

- Testing shall be performed by a testing facility certified by Department of Health & Human Services. Personnel must have evidence of having tested negative within a year prior to employment. Seller will accept conditional employment predicated upon (a) employee(s) furnishing evidence that they have submitted to testing within forty-eight (48) hours of initial employment and (b) employee(s) furnishing evidence of negative test results within five (5) work days of initial employment. Buyer shall ensure personnel are “drug free”. Seller reserves the right to examine evidence outlined herein. Buyer’s program shall incorporate reciprocity on “drug free” employee verification to minimize Seller’s economic impact, and employees’ recertification while maintaining the program’s intent.

If required by Seller, Buyer must meet certain security criteria set forth herein. Buyer is responsible for assuring that each of its employees meet these criteria. Buyer must perform a background check to assure that each of its employees: (a) has never been convicted of a felony; (b) has never been convicted of a crime involving drugs or firearms; (c) has never been convicted of a crime involving violence or assault; and (d) has no immigration violations and is eligible to work in the United States. For the purpose of performing the background check, and to otherwise screen the potential Buyer employee, Buyer shall: (a) conduct a fingerprint background check through the repository of the individual’s current state of residence and states of residence during the past five (5) years; (b) contact two listed and two developed references; (c) verify education and any professional license to the extent claimed by the individual; (d) obtain employment history for seven-year period prior to employment with Buyer, including all periods of unemployment within that seven-year period; (e) perform a driver’s license verification if the individual will operate vehicles on Seller’s property (This includes motor vehicle records check in the state where the individual currently resides, as well as verification of a valid license); and (f) perform an individual Social Security number trace. Buyer shall submit to Seller a copy of its proprietary background investigation process for Seller’s review and file. Seller reserves the right to conduct a background screen at Buyer’s expense if agreed between Seller and Buyer. Seller may audit or review specific Buyer screening files to ensure compliance. Buyer shall not perform any screening activities that violate the federal Fair Credit Reporting Act, Title VII of the Civil Rights Act of 1964 or any other applicable law in any circumstances. Buyer shall ensure that the substance and manner of any and all background checks

performed by Buyer conform fully to applicable law. Seller, in its sole discretion, shall have the option of barring from any work site any person whom Seller determines does not meet the qualification requirements set forth above.

15. Seller may, for its convenience, cancel this Contract upon written notice to Buyer. Upon cancellation, Buyer shall submit to Seller an invoice with supporting information setting forth Buyer's unavoidable direct costs incurred as a result of cancellation. Seller shall not be responsible for Buyer's lost profits which would have arisen from the performance of this Contract.
16. This Contract shall be governed by the laws of the State of Ohio.
17. This Contract constitutes the entire agreement between the parties. Additional or different terms contained in Buyer's proposal or Buyer's acceptance shall not become a part of this Contract unless expressly agreed to in writing and signed by Seller. Amendments to this Contract must be in writing and signed by both parties.
18. Buyer agrees (a) to protect the Confidential Information of the Seller with at least the same degree of care used to protect its own most confidential information; (b) not to use (except for the purpose described herein), publish or disclose to third parties such Confidential Information; and (c) upon the request of the Seller, to promptly deliver to the other party all written copies of its Confidential Information. "Confidential Information" shall include, but not be limited to, business plans and methods; customer information; engineering, operating and technical data; and the dates of Seller's outage schedule(s). Buyer shall not use Seller's name or logo in marketing or endorsements without the prior written consent of Seller.
19. Buyer shall be an independent contractor in the performance of this Contract.
20. No waiver by either party of any default shall be deemed a waiver of any subsequent default.
21. If any provision of this Contract is held to be invalid, such invalidity shall not affect the remaining provisions of this Contract.